

EXHIBIT CW

[PUBLIC VERSION]

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1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE WESTERN DISTRICT OF MISSOURI

3
4 CUSTODIA BANK, INC.,

5 Plaintiff,

6 vs.

No.

7 FEDERAL RESERVE BOARD OF

22-cv-00125-SWS

8 GOVERNORS and FEDERAL RESERVE

9 BANK OF KANSAS CITY,

10 Defendants.
11
12
13

14 VOLUME II
15
16

17 CONTINUED CONFIDENTIAL DEPOSITION OF
18 JUDITH HAZEN, a Witness, taken on behalf of the
19 Plaintiff before Kelsey Robbins Schmalz, CSR No.
20 1571, CCR No. 1148, RPR, pursuant to Notice on the
21 15th of November, 2023, at the offices of the Federal
22 Reserve Bank of Kansas City, 1 Memorial Drive, Kansas
23 City, Missouri.
24
25

1 entity that had a brand new charter type that was
2 uninsured and that had a novel business model would
3 have been a nonroutine request for us.

4 BY MS. WEINBERGER:

5 Q. And an entity like Custodia would've
6 been nonroutine regardless of whether its membership
7 application was granted?

8 MS. CARLETTA: Objection. Form.

9 Also, I'll note we've been going for a
10 half hour.

11 A. So by its nature of being one of the
12 first entities to receive a charter that had just
13 been just been created, it would be unique. The fact
14 that it was not insured would also be unique. The
15 fact that it's a de novo entity would also be unique.
16 So all of those factors and probably more would drive
17 it into being a nonroutine request, so I don't know
18 that the membership decision would have influenced
19 whether it was routine or nonroutine.

20 BY MS. WEINBERGER:

21 Q. Whereas under the guidelines, whether
22 Custodia's membership application was granted
23 affected whether it was going to be in Tier 2 or
24 Tier 3; is that correct?

25 A. So far as the definition that the

1 Board ascribed to those different tiers, yes. I
2 believe that if Custodia had been granted membership
3 that would have moved it to be considered a Tier 2
4 institution versus a Tier 3 institution.

5 Q. Okay. I want to move on to what I've
6 marked as Exhibit 192, which is Bates No. 17747.

7 So if you could look -- first of all,
8 do these appear to be your notes?

9 A. They do.

10 Q. And if you could look at Page 17749.
11 Can you tell when these notes are from? And if you
12 need a moment to look at them, I'm happy to go off
13 the record for a minute.

14 A. So the notes in this notebook I think
15 would have been from July of 2020 through August of
16 2020, but I don't know these specific pages where in
17 that timeline they would have been.

18 Q. Okay. And it says SPDI meeting at the
19 top of the page; is that correct?

20 A. Yes. SPDI meeting.

21 Q. And who were you meeting with?

22 A. It doesn't say.

23 Q. Do you have any recollection?

24 A. I don't.

25 Q. So it seems to be referring to